

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4439-01
Bill No.: SB 520
Subject: Employees - Employers; Political Subdivisions; State Departments; State Employees
Type: Original
Date: January 28, 2014

Bill Summary: This proposal modifies the law relating to leave time for state employees who are adoptive and foster parents.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(Unknown)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
University Funds	(Unknown)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	(Unknown)	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration's Division of Personnel (OA)** assume they would need to develop a new policy and procedures for the donation of such leave and for tracking the leave events. The proposed legislation appears to provide added benefit to an individual who is adopting or providing foster care to a child versus an individual who is the biological parent of a child. The current ShareLeave program does not allow an individual to request shared leave during or after pregnancy unless complications during or after pregnancy rise to the level of a "catastrophic illness or injury", which is the current eligibility requirement to receive ShareLeave.

§105.271(2) allows for the donated leave to be transferable between employees in different departments, agencies, or political subdivisions if the chief administrative officers of the departments, agencies, or political subdivisions agree. Agencies currently do not allow transfer of ShareLeave across other agencies. Additionally, there is no statewide tracking mechanism in place for this transfer of leave as each agency monitors their individual ShareLeave donations and usage. Determination would need to be made on how the State would track and monitor ShareLeave for adoption or foster placement which was transferred among departments.

Since this is a new shared leave event, 1 CSR 20-5.025 may need to be modified and approved by the Personnel Advisory Board.

Officials at the **Department of Economic Development** defer to the Office of Administration for fiscal impact.

Officials at the **Department of Natural Resources** assume an unknown impact. It is unknown due to the unknown frequency of request, duration and dollar value difference between the leave donated versus donated leave used.

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of State Courts Administrator** assume an unknown impact of less than \$100,000.

ASSUMPTION (continued)

Officials at the **Department of Elementary and Secondary Education** assume there appear to be various unknowns associated with this proposal. These unknowns could put federal funds in jeopardy as well as result in costs or savings to the state; neither of which can be estimated.

Officials at the **Office of the State Public Defender (SPD)** assume any legislation that passes that takes away from the hours available to work would affect SPD. The SPD is currently providing legal representation in caseloads in excess of recognized standards. Fewer hours available to work would impact representation availability.

Officials at the **Missouri Veterans Commission** assume the fiscal impact is unknown due to not knowing who would qualify for leave and how much leave would be available to use.

Officials at the **Missouri Western State University** assume the mandate to craft shared leave banks within and among the state agencies could create a significant fiscal burden. The potential increased budget liability, the potential conflict between externally approved accrued time versus internal policies and related disciplinary issues related to excessive absences plus related administrative burdens make this a concerning proposal.

Officials at the **Missouri State University** assume minimal costs and losses from this proposal.

Officials at the **Missouri Highway Patrol** assume the impact to be minimal and can be absorbed with existing resources.

Officials at the **City of Kansas City** assume the City already covers arranging for adoption and foster care placement in its Family and Medical Leave Policy. Therefore, expanding leave donations to cover adoption and foster care placement would be minimal administrative costs.

Officials at the **Cole County** assume to administer and set up a policy for leave sharing would take a couple of days at a cost of \$750 and would require ongoing maintenance each year.

Officials at the **City of Columbia** assume the costs are not expected to exceed \$100,000 annually.

Officials at the **City of Springfield** assume to implement the tracking program would cost \$40,000 to \$50,000 for programming. Additional costs of employees donated leave is unknown.

ASSUMPTION (continued)

Officials at the **Department of Agriculture**, the **Department of Conservation**, the **Department of Corrections**, the **Department of Health and Senior Services**, the **Department of Higher Education**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Labor and Industrial Relations**, the **Department of Mental Health**, the **Department of Public Safety's Division of Alcohol and Tobacco Control**, the **Department of Public Safety's Capitol Police**, the **Department of Public Safety's Division of Fire Safety**, the **Department of Revenue**, the **Department of Social Services**, the **Linn State Technical College**, the **Missouri Department of Transportation**, the **Missouri Gaming Commission**, the **Missouri National Guard**, the **Missouri Southern State University**, the **Northwest Missouri State University**, the **Office of Prosecution Services**, the **Office of the State Auditor**, the **Office of State Treasurer**, the **Platte County Board of Election Commission**, the **State Emergency Management Agency**, the **St. Louis County Board of Election Commission**, the **University of Central Missouri** and the **University of Missouri** each assume there is no fiscal impact to their respective agencies from this proposal.

Oversight assumes that the Office of Administration would need to create the tracking system to implement this proposal. Oversight will show an unknown impact for computer programming costs in FY 2015. Oversight assumes the financial impact may affect various state agencies and state funds but will show in the fiscal note all the impact as being to General Revenue.

Oversight assumes that the Universities would need to create a tracking system to implement this proposal. Oversight will show an unknown impact for computer programming costs in FY 2015.

Oversight assumes this proposal is unclear as to whether it affects all taxing entities in the state and therefore, Oversight will show an unknown impact for computer programming costs in FY 2015 for all local political subdivisions.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding

ASSUMPTION (continued)

for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Costs</u> - Office of Administration computer programing costs	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
UNIVERSITY FUNDS			
<u>Costs</u> - Universities - computer programming costs	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON UNIVERSITY FUNDS	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
LOCAL POLITICAL SUBDIVISIONS			
<u>Costs</u> - Local Political Subdivisions - computer programming costs	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Under current law, adoptive parents who are employed by the state or political subdivisions may take leave for purposes of arranging for the adopted child's placement or care. This act establishes the same treatment for foster parents.

The act also requires the state and political subdivisions to provide a leave sharing program for employees arranging for a foster or adopted child's placement or care. Donated annual leave, overtime, or compensatory leave time shall be transferrable between employees across departments, agencies and political subdivisions with the agreement of the chief administrative officers of such departments, agencies or political subdivisions.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

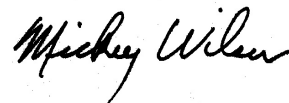
SOURCES OF INFORMATION

City of Columbia
City of Kansas City
City of Springfield
Cole County
Department of Agriculture
Department of Conservation
Department of Corrections
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Higher Education
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations
Department of Natural Resources
Department of Public Safety
 Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
Department of Revenue

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SOURCES OF INFORMATION (continued)

Department of Social Services
Linn State Technical College
Missouri Department of Transportation
Missouri Gaming Commission
Missouri Highway Patrol
Missouri National Guard
Missouri Southern State University
Missouri State University
Missouri Veterans Commission
Missouri Western State University
Northwest Missouri State University
Office of Administration
 Division of Personnel
Office of Prosecution Services
Office of Attorney General
Office of the Secretary of State
Office of the State Auditor
Office of State Courts Administrator
Office of the State Public Defender
Office of State Treasurer
Platte County Board of Election Commission
State Emergency Management Agency
St. Louis County Board of Election Commission
University of Central Missouri
University of Missouri



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